

LEGISLATURE OF NEBRASKA
ONE HUNDREDTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1039

Introduced by Janssen, 15; Karpisek, 32.

Read first time January 17, 2008

Committee: Revenue

A BILL

- 1 FOR AN ACT relating to revenue and taxation; to create a task force
- 2 related to agricultural land valuation; and to provide
- 3 duties for the Department of Revenue.
- 4 Be it enacted by the people of the State of Nebraska,

1 Section 1. (1) The Agricultural Land Valuation Task Force
2 is created. The task force shall consist of the Property Tax
3 Administrator and the following members appointed by the Executive
4 Board of the Legislative Council:

5 (a) Two representatives of crop producers;
6 (b) Two representatives of livestock producers;
7 (c) A person with expertise in land economics;
8 (d) One county assessor;
9 (e) A person who is a soil scientist; and
10 (f) A person representing natural resources conservation
11 interests.

12 (2) The Property Tax Administrator shall serve as
13 chairperson of the task force. The members shall be reimbursed for
14 their actual and necessary expenses as provided in sections 81-1174
15 to 81-1177.

16 (3) The task force shall develop a report which will
17 serve as the basis for an income capitalization approach to
18 valuation of agricultural land. The intent of the Legislature is
19 to use the report to assist in the development of an income
20 capitalization formula for use in valuing agricultural land.
21 The report shall include information and data for crop prices,
22 land rent, crop uses, crop productivity, and crop and livestock
23 expenses. The task force shall contract with the University of
24 Nebraska College of Agricultural Science and Natural Resources for
25 purposes of developing the report and the data sources to be

1 used in the proposed valuation method. It is the intent of the
2 Legislature to appropriate fifty thousand dollars to the Department
3 of Revenue for this purpose.

4 (4) The task force shall complete the report and provide
5 it to the Revenue Committee of the Legislature and the Clerk of
6 the Legislature by March 1, 2009. The task force shall terminate on
7 January 1, 2010.

8 (5) The Department of Revenue shall analyze alternative
9 methods of determining the value of agricultural land, including
10 a method based on establishing the relationship between soil
11 productivity and value. The department shall prepare a report
12 detailing this analysis and provide it to the Revenue Committee of
13 the Legislature and the Clerk of the Legislature by December 1,
14 2008.